

Appendix E: The basis of Virginia's budget

Virginia's budget operates within a legal framework that includes the Constitution of Virginia, the Code of Virginia, and the Appropriation Act. It is proposed by the governor in the form of the budget bill, and amended and approved by the General Assembly. Everything in the state budget stems from this review and approval process by the state's elected officials.

Budget cycle

Virginia's budget operates on a two-year cycle known as a biennium. Each biennial budget is passed and amended by the General Assembly three times. The General Assembly approves the initial budget act for the upcoming biennium in even numbered years along with amendments and adjustments to the prior biennial budget (known as the caboose bill). During odd-numbered years, the General Assembly approves amendments for the first and second fiscal years of the biennium. JLARC's state spending report covers the last six biennial budgets, with each budget cycle spanning three General Assembly sessions (Table E-1).

Budget terminology

Appropriations

An appropriation can be considered a limit on spending, or a spending ceiling, that is authorized by the General Assembly and approved by the governor. Expenditures may be made only if the agency or program has an appropriation (legal authority) to do so. Appropriations are maximum limits that expenditures cannot exceed. In addition, appropriations are payable in full only if sufficient revenues are available to pay all appropriations in full. A non-general funded program or agency must have both an appropriation and sufficient cash within the state treasury in order to expend the funds.

This report primarily focuses on appropriations. Unless otherwise noted, appropriations used in this report are the final appropriations approved (voted on and adopted) by the General Assembly and approved by the governor. This includes all legislative changes made to appropriations during a biennium, such as second year changes to first year amounts and the caboose bill. Administrative adjustments made to appropriations subsequent to the adoption of the Appropriation Act are not included. The Appropriation Act authorizes the governor, under certain conditions, to make limited adjustments to appropriations.

Expenditures

Expenditures are actual amounts spent or transferred by state agencies and certified by the Department of Accounts. In addition to spending by agencies, expenditures include financial assistance to localities for personal property tax relief and deposits made to the Revenue Stabilization Fund. Expenditures also include payments made on capital projects in a given year, regardless of when appropriations were made to the projects. Expenditures may vary from appropriations because of administrative adjustments to the legislative appropriation amount, as authorized in the Appropriation Act, and because of changes in the amount of revenue collected from what was assumed in the Appropriation Act.

To learn more about Virginia's budget, visit the official state budget websites:

Legislative information: Virginia State Budget
budget.lis.virginia.gov

Virginia Department of Planning and Budget
dpb.virginia.gov/budget/budget.cfm

TABLE E-1
Virginia's biennial budget cycle over the past six biennia

FYs covered by budget	Session year	Budget bill
2016-2018 biennium budget		
FY17–FY18	2018	Final caboose bill amendments to FY18
	2017	Mid-cycle biennial budget amendments to FY17 and FY18
	2016	Initial biennial budget
2014–2016 biennium budget		
FY15–FY16	2016	Final caboose bill amendments to FY16
	2015	Mid-cycle biennial budget amendments to FY15 and FY16
	2014	Initial biennial budget
2012–2014 biennium budget		
FY13–FY14	2014	Final caboose bill amendments to FY14
	2013	Mid-cycle biennial budget amendments to FY13 and FY14
	2012	Initial biennial budget
2010–2012 biennium budget		
FY11–FY12	2012	Final caboose bill amendments to FY12
	2011	Mid-cycle biennial budget amendments to FY11 and FY12
	2010	Initial biennial budget
2008–2010 biennium budget		
FY09–FY10	2010	Final caboose bill amendments to FY10
	2009	Mid-cycle biennial budget amendments to FY09 and FY10
	2008	Initial biennial budget
2006–2008 biennium budget		
FY07–FY08	2008	Final caboose bill amendments to FY08
	2007	Mid-cycle biennial budget amendments to FY07 and FY08
	2006	Initial biennial budget

Functions and programs

Virginia's budget is based on a program structure, a mechanism intended to uniformly identify and organize the state's activities and services. Under this structure, services that the state provides are classified in three levels: functions, programs, and agencies.

Functions represent the broadest categories of state government activities. Virginia government activities are grouped by the following seven broad operating functions:

- education,
- administration of justice,
- individual and family services,
- resource and economic development,
- transportation,

- general government, and
- enterprises.

Budget programs include funding directed to specific objectives such as developing or preserving a public resource, preventing or eliminating a public problem, or improving or maintaining a service for the public. Programs are grouped by function and may appear in several agencies. First adopted by Virginia in the mid-1970s, program budgeting is an attempt to avoid the excessive detail of line-item budgets by combining logical groupings of government activities into broader “programs.”

Programs are more specific than the broad government functions and may appear in several agencies. For example, the budget program “State health services” within the broad individual and family services function includes the provision of direct health care services to individuals and families through state-operated facilities, including services relating to child development, drug and alcohol abuse, geriatric care, inpatient medical, maternal and child health, mental health, intellectual disabilities, outpatient medical, technical support and administration, and other services. This program is included in several agencies, including the University of Virginia Medical Center, Virginia Commonwealth University, the Department of Behavioral Health and Developmental Services, and the Department of Veterans Services. The “administrative and support services” program combines a wide variety of discrete services, including architectural and engineering services, food and dietary services, physical plant services, human resources, information technology services, and others. Administrative and support services can be found across many different agencies. As of 2017, Virginia had more than 200 budget programs.

State “agency” defined

An agency represents the major unit of operational and budgetary control and administration of state services. Agencies are generally thought of as including a set of programs under the purview of an agency head who is typically appointed by the governor, along with staff, who implement the agency’s programs.

There are, however, differing notions about what constitutes a state agency and how many there are in Virginia. The state accounting and budgeting system essentially regards anything assigned an agency code to be equivalent to a state agency, although such codes are often merely a matter of administrative convenience. For instance, appropriations for agency codes 720 (central office), 790 (grants to localities), 792 (mental health treatment centers), 793 (intellectual disability training centers), and 794 (Virginia Center for Behavioral Rehabilitation) must be combined to arrive at a budget total for the Department of Behavioral Health and Developmental Services.

Agency codes are sometimes used as a way of entering a new program or activity into the state financial system and ensuring budget control. For example, “central appropriations” is assigned an agency code of 995 even though it is not an actual agency. For purposes of this report, the number of agency codes in the 2017 Appropriation Act (187 agency codes) was adjusted for duplication and to exclude various financial accounts (Table E-2). The resulting count was 148 agencies.

This report does not treat the personal property tax relief program as a separate agency even though it is included in the 148 total. In FY17, this program received an appropriation of \$950 million and was larger than all but 11 state agencies. However, because it is not an actual entity, it is not included in the analysis of growth in agency appropriations over the past 10 years. Instead, it is covered separately (page 21), along with the revenue stabilization fund and optional health plans for local government employees.

TABLE E-2
Number of state agencies, FY17

Unique agency codes in 2017 Appropriation Act	187
Codes assigned to DBHDS Facilities & Programs	5
Codes assigned to UVA Academic Division (207) & Medical Center (209)	2
Codes assigned to William & Mary (204) and VIMS (268)	2
Codes assigned to DARS (262), Woodrow Wilson Rehab Center (203), and Department for the Aging (163)	3
Codes assigned to Department for the Blind and Vision Impaired (702) and Rehab Center for the Blind and Vision Impaired (263)	2
Codes assigned to Councils, Commissions and Boards under the Division of Legislative Services	28
Codes assigned to various financial activities ^a : DOA transfer payments (162) ^b Central appropriations (995) Towing and Recovery operations (507) Interstate Organization Contributions (921)	4
Total number of state agencies	148

SOURCE: 2017 Appropriation Act (Chapter 836); Department of Planning and Budget.

NOTE: Total number of state agencies is calculated by subtracting the number of codes assigned from the number of unique agency codes, ensuring that the principal agency is correctly counted. (For example, from 187, subtract 5 for DBHDS facilities and programs and add back 1 for the overall agency.)

^aThe four agency codes assigned to various financial activities were not included in the total number of state agencies for FY17.

^bThe Department of Accounts has a separate line item for transfer payments such as the Revenue Stabilization Fund (program 735).

General and non-general funds

State revenues and appropriations are grouped into two categories, depending on their origin: general and non-general funds. The state's general fund consists primarily of revenue from income and sales taxes that are not restricted in any way and are used for the widely varied purposes of government. Non-general funds derive from many diverse sources and are restricted to certain specified uses.

General and non-general funds comprised 39 and 61 percent, respectively, of the FY17 Virginia budget. The expenditure of non-general funds is controlled by their authorizing statute—thus, more than half the state budget is determined by statute rather than through the appropriation process. This ensures that child support payments, for example, are spent for child support and not some other purpose. It also means that growth in more than half the budget is determined by factors other than the annual appropriation process.

Appendix F: 10 largest annual general fund increases, 2008–2017 biennial totals (\$M)

In the following tables, the number labeled “10 Largest as a Percentage of Total” reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-1
10 largest increases in 2016-2018 budget made by 2017 General Assembly – Mid-cycle biennial budget amendments

Rank	Agency	Program	GF increase
1	DMAS	Funds increasing enrollment and medical costs	247.8
2	Children’s Services Act	Funds an increased caseload and cost of services for Children’s Services Act	85.7
3	Central Appropriations	Salary increase for state employees	64.8
4	Central Appropriations	Revenue Cash Reserve Fund deposit	35.0
5	DOE (Direct Aid)	Increase Lottery per pupil allocation	34.1
6	DOE (Direct Aid)	Salary increase for funded teachers and support positions	32.0
7	DOC	Inmate medical costs	18.6
8	Higher education	Faculty salary increase	18.4
9	Central Appropriations	Salary increase for state-supported local employees	15.6
10	Central Appropriations	State Police salary initiative	14.3
Subtotal, 10 largest			\$566.3
Total of all general fund increases, 2017 session			\$652.5
10 largest as a percentage of total			87%

SOURCE: Analysis of “Summary of 2016-2018 Budget Actions” (2017 Session, Chapter 836) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-2

10 largest increases in 2016-2018 budget made by 2016 General Assembly – Initial biennial budget act

Rank	Agency	Program	GF increase
1	DMAS	Medicaid utilization and inflation	789.1
2	DOA Transfer Payments	Revenue Stabilization (Rainy Day) Fund deposit	605.5
3	DOE (Direct Aid)	Rebenchmarking Standards of Quality for public schools	399.0
4	DOE (Direct Aid)	Reinstate Lottery per pupil allocation	193.8
5	Central Appropriations	Salary increase for K-12 and state-supported local employees	162.5
6	Central Appropriations	Salary increase for state employees and faculty	155.9
7	Central Appropriations	Fund state employee health insurance program	143.2
8	Treasury Board	Debt service for currently authorized projects and equipment	107.8
9	DMAS	Funding for ID and DD Medicaid waiver slots	105.0
10	Higher education	Support access, affordability, and degree completion	104.0
Subtotal, 10 largest			\$2,765.8
Total of all general fund increases, 2016 session			\$3,310.3
10 largest as a percentage of total			84%

SOURCE: Analysis of "Summary of 2014-2016 Budget Actions" (2016 Session, Chapter 780) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Does not include \$10.8 million in general funds appropriated to the capital outlay portion of the budget. Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-3

10 largest increases in 2014-2016 budget made by 2016 General Assembly – Final biennial budget amendments

Rank	Agency	Program	GF increase
1	Central Appropriations	Early repayment of deferred contributions to VRS	\$172.7
2	DMAS	Funds increasing enrollment and medical costs	166.6
3	Children's Services Act	Funds an increased caseload and cost of services for Children's Services Act	18.1
4	Compensation Board	Funds an increase in per diem payments to local and regional jails	11.3
5	DMAS	Rebases budget for training centers to reflect anticipated closures	7.3
6	DSS	Funds new eligibility information system operating costs	7.1
7	DBHDS	Offsets revenue shortfall from loss of federal funding at Hancock Geriatric Treatment Center	4.4
8	Central Appropriations	Reimburses the Department of Elections and localities for presidential primary expenses	3.8
9	DSS	Funds foster care and adoption subsidy programs	1.7
10	DMAS	Funds physician and hospital services for involuntary commitments	1.1
Subtotal, 10 largest			\$394.1
Total of all general fund increases, 2016 session			\$413.7
10 largest as a percentage of total			95%

SOURCE: Analysis of "Summary of 2014-2016 Budget Actions" (2016 Session, Chapter 732) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Does not include \$141.4 million in general funds appropriated to the capital outlay portion of the budget. Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-4

10 largest increases in 2014-2016 budget made by 2015 General Assembly – Mid-cycle biennial budget amendments

Rank	Agency	Program	GF increase
1	DOA Transfer Payments	Revenue Stabilization (Rainy Day) Fund deposit	\$129.5
2	DMAS	New behavioral health program and other coverage changes	119.3
3	Central Appropriations	Salary increase for state and state-supported local employees	77.5
4	DOE (Direct Aid)	K-12 state share of teacher and school staff salary increase	52.9
5	Higher education	Funding support, financial aid, research and faculty salary increases	48.9
6	DOC	Inmate medical costs, staffing, Hepatitis C medications	35.4
7	VRS	Fund board-approved rate for state employees at 90 percent	32.3
8	Central Appropriations	Eliminate the aid to localities reversion account	29.8
9	Natural Resources	Water quality and land conservation efforts	21.5
10	Commerce and Trade	Commonwealth's Development Opportunity Fund	20.7
Subtotal, 10 largest			\$567.8
Total of all general fund increases, 2015 session			\$1,118.5
10 largest as a percentage of total			51%

SOURCE: Analysis of "Summary of 2014-2016 Budget Actions" (2015 Session, Chapter 665) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Does not include \$141.1 million in general funds appropriated to the capital outlay portion of the budget. Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-5

10 largest increases in 2014-2016 budget made by 2014 General Assembly – Initial biennial budget act

Rank	Agency	Program	GF increase
1	DOA Transfer Payments	Appropriated revenue reserve	\$842.5
2	DMAS	Medicaid utilization and inflation	674.4
3	DOE (Direct Aid)	Re-benchmarking costs for K-12 Standards of Quality	589.6
4	DOA Transfer Payments	Revenue Stabilization (Rainy Day) Fund deposit	243.2
5	Treasury Board	Debt service for currently authorized projects and equipment	179.2
6	Central Appropriations	Fund updated costs for state employee retirement rates	97.6
7	Central Appropriations	Fund state employee health insurance program	83.9
8	DOE (Direct Aid)	Fund K-12 retirement to supplant literary fund payments	32.9
9	Central Appropriations	Fund payback of deferred retirement contributions	46.8
10	DMAS	Funding for mandatory waiver slots	37.5
Subtotal, 10 largest			\$2,827.6
Total of all general fund increases, 2014 session			\$4,184.7
10 largest as a percentage of total			68%

SOURCE: Analysis of "Summary of 2014-2016 Budget Actions" (2014 Session, Chapter 2) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Chapter 2 of the 2014 Appropriation Act included \$689 million in general fund decreases for the 2014-2016 biennium. Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-6

10 largest increases in 2012-2014 budget made by 2014 General Assembly – Final biennial budget amendments

Rank	Agency	Program	GF increase
1	DOE (Direct Aid)	Student enrollment update	\$11.9
2	Compensation Board	Per diem payments to local and regional jails	9.3
3	DSS	New eligibility determination system	4.4
4	DSS	Child welfare services	3.4
5	DSS	Offset for decline in child support enforcement revenue	2.9
6	DOE (Direct Aid)	VRS payment from Literary Fund reduction	2.5
7	DMAS	Medicaid call center	1.7
8	DOE (Direct Aid)	Sales tax distribution for school age population update	1.4
9	DMAS	Indigent care for individuals from 100% to 200% of poverty	1.4
10	VSP	Personal services	1.3
Subtotal, 10 largest			\$40.3
Total of all general fund increases, 2014 session			\$45.1
10 largest as a percentage of total			89%

SOURCE: Analysis of "Summary of 2012-2014 Budget Actions" (2014 Session, Chapter 1) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Chapter 1 of the 2014 Appropriation Act included \$326 million in general fund decreases for the 2012-2014 biennium. Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-7

10 largest increases in 2012-2014 budget made by 2013 General Assembly – Mid-cycle biennial budget amendments

Rank	Agency	Program	GF increase
1	DMAS	Medicaid utilization and inflation	\$114.6
2	DOA (Transfer Payments)	Advance deposit for FY15 Rainy Day Fund requirement	95.0
3	DOA (Transfer Payments)	Complete funding for mandatory FY14 Rainy Day Fund deposit	78.3
4	DOE (Direct Aid)	2% salary increase for funded teachers and support positions	70.2
5	DHRM	Additional funding for state employee health insurance	57.9
6	Central Appropriations	Eliminate local aid reversion account	45.0
7	Central Appropriations	Classified, other state-sponsored local salary increase	35.0
8	Higher Education agencies	Higher education Top Jobs Initiative	29.4
9	DMAS	Children's health insurance utilization and inflation	20.9
10	DMAS	FAMIS utilization and inflation	20.2
Subtotal, 10 largest			\$566.5
Total of all general fund increases, 2013 session			\$892.1
10 largest as a percentage of total			64%

SOURCE: Analysis of "Summary of 2012-2014 Budget Actions" (2013 Session, Chapter 806) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-8

10 largest increases in 2012-2014 budget made by 2012 General Assembly – Initial biennial budget act

Rank	Agency	Program	GF increase
1	DMAS	Medicaid Utilization and Inflation	\$610.2
2	DOE (Direct Aid)	Update Costs of K-12 Standards of Quality	377.8
3	DOE (Direct Aid)	Teacher VRS, Group Life and Retiree Health Care Employer Rates	342.4
4	DOA Transfer Payments	Revenue Stabilization Fund Deposit	299.1
5	Colleges & universities	Higher Education Funding	200.0
6	DOE (Direct Aid)	Update Costs of K-12 Incentive and Categorical Programs	196.2
7	Treasury Board	Debt Service for New and Currently Authorized Projects	115.5
8	DOE (Direct Aid)	Assistance with Teacher Retirement, Inflation and Pre-K	110.0
9	DHRM	State Employee Health Insurance Program	100.3
10	DCR	Water Quality Improvement Fund	92.6
Subtotal, 10 largest			\$2,444.1
Total of all general fund increases, 2012 session			\$3,265.2
10 largest as a percentage of total			75%

SOURCE: Analysis of "Summary of 2012-2014 Budget Actions" (2012 Session) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-9

10 largest increases in 2010-2012 budget made by 2012 General Assembly – Final biennial budget amendments

Rank	Agency	Program	GF increase
1	DMAS	Adds funding for Medicaid utilization and inflation	\$85.4
2	DOE (Direct Aid)	Adjusts funding to reflect increase in projected Lottery proceeds	37.2
3	Central Appropriations	Held in reserve to address future federal budget reductions	30.0
4	VDOT	Provide GF for Virginia Transportation Infrastructure Bank	28.7
5	VDOT	One-time capitalization of the Intercity Passenger Rail Operating and Capital Fund	28.7
6	Colleges & universities	Eliminate higher education reversion	10.0
7	DOC	Increased costs of off-site inpatient and outpatient medical care and services provided by specialists	7.4
8	DSS	Projected increases in foster care and adoption subsidy programs	6.4
9	Compensation Board	Additional funding for per diem payments to local and regional jails	5.8
10	Central Appropriations	Cover costs associated with the 2012 presidential primary	3.0
Subtotal, 10 largest			\$242.6
Total of all general fund increases, 2012 session			\$467.7
10 largest as a percentage of total			52%

SOURCE: Analysis of "Summary of 2010-2012 Budget Actions" (2012 Session, Chapter 2) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-10

10 largest increases in 2010-2012 budget made by 2011 General Assembly – Mid-cycle biennial budget amendments

Rank	Agency	Program	GF increase
1	DMAS	GF to suspend Medicaid payment delays in FY11	\$113.6
2	DCR	Provide for Water Quality Improvement Fund deposit	32.8
3	VDOT	Provide GF for VA transportation infrastructure bank	32.7
4	Central Appropriations	Funding for VITA rate increases	26.6
5	DOE (Direct Aid)	Sales tax revenue forecast net adjustment	19.5
6	DMAS	Adjust funding for Virginia Health Care Fund	10.0
7	Compensation Board	Restore sheriff's funding	8.3
8	Compensation Board	Provide funding for jail per diems	6.1
9	General District Courts	Increase funding for the Criminal Fund	5.4
10	DBHDS	Increase GF for loss of federal Medicaid match for Hancock Geriatric Facility and add 8 positions	5.4
Subtotal, 10 largest			\$260.4
Total of all general fund increases, 2011 session			\$284.0
10 largest as a percentage of total			92%

SOURCE: Analysis of "Summary of 2010-2012 Budget Actions" (2011 Session) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-11

10 largest increases in 2010-2012 budget made by 2010 General Assembly – Initial biennial budget act

Rank	Agency	Program	GF increase
1	DMAS	Backfill Medicaid Due to Phase-Out of Recovery Act Funds	\$1,191.5
2	DMAS	Fund Medicaid Utilization and Inflation	777.7
3	DOE (Direct Aid)	Composite Index Hold-Harmless Payments	174.1
4	Treasury Board	Debt Service for Current Authorizations	165.8
5	DOE (Direct Aid)	SOQ Model Data Input Costs	105.1
6	Central Appropriations	Eliminate Aid to Localities Reduction	100.0
7	DOE (Direct Aid)	VRS, Group Life and RHCC Rates	91.2
8	DOE (Direct Aid)	Composite Index	68.5
9	DOA Transfer Payments	Revenue Reserve	50.0
10	DOE (Direct Aid)	Student Enrollment Projections	39.4
Subtotal, 10 largest			\$2,763.3
Total of all general fund increases, 2010 session			\$5,337.9
10 largest as a percentage of total			52%

SOURCE: Analysis of "Summary of 2010-2012 Budget Actions" (2010 Session) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-12

10 largest increases in 2008-2010 budget made by 2010 General Assembly – Final biennial budget amendments

Rank	Agency	Program	GF increase
1	DMAS	Add funding for Medicaid utilization and inflation	\$80.1
2	DCR	Provide funding for agricultural best management practices	15.2
3	DOE (Direct Aid)	Update student enrollment projections	14.5
4	DMAS	Adjust funding for Virginia Health Care Fund	9.8
5	Central Appropriations	Add supplemental funding for VITA rate charges	9.7
6	Secretary of Commerce & Trade	Rolls Royce incentive payments (HB 29 Recovery Act Swap)	9.4
7	DSS	Fund Unemployed Parents Cash Assistance Program growth	5.5
8	DMAS	Fund medical assistance services for low-income children (SCHIP)	3.1
9	DMAS	Fund medical services for involuntary mental commitments	3.1
10	Treasury Board	Restore jail reimbursement (Arlington and Chesapeake)	2.6
Subtotal, 10 largest			\$153.0
Total of all general fund increases, 2010 session			\$256.6
10 largest as a percentage of total			60%

SOURCE: Analysis of "Summary of 2008-2010 Budget Actions" (2010 Session) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-13

10 largest increases in 2008-2010 budget made by 2009 General Assembly – Mid-cycle biennial budget amendments

Rank	Agency	Program	GF increase
1	DMAS	Add funding for Medicaid utilization and inflation	\$451.7
2	Treasury Board	Provide debt service on proposed new debt	14.7
3	Compensation Board	Restoration of Constitutional officer funding reductions	14.3
4	Colleges & universities	Provide additional student financial aid for all institutions	10.0
5	Circuit Courts	Provide additional funding for the Criminal Fund	8.8
6	DMAS	Fund FAMIS utilization and inflation	8.4
7	Colleges & universities	Increase interest earnings and credit card rebate (Central Accounts)	8.3
8	Central Appropriations	Add funding for interest earnings and credit card rebates for institutions of higher education	8.3
9	Public Education	Correct special education data	6.8
10	DMAS	Adjust funding for the Virginia Health Care Fund	6.7
Subtotal, 10 largest			\$538.0
Total of all general fund increases, 2009 session			\$614.5
10 largest as a percentage of total			88%

SOURCE: Analysis of "Summary of 2008-2010 Budget Actions" (2009 Session) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-14

10 largest increases in 2008-2010 budget made by 2008 General Assembly – Initial biennial budget act

Rank	Agency	Program	GF increase
1	DOE (Direct Aid)	Standards of Quality	\$890.3
2	DMAS	Medicaid Utilization and Inflation	325.0
3	Central Appropriations	2% Annual Salary Adjustments for State Employees, Faculty	171.4
4	HHR Comprehensive Services Act	Mandatory Caseload and Cost Increases	158.6
5	Treasury Board	Debt Service on Existing Bond Projects	136.5
6	Capital Outlay	Restore Project Cash Flows	100.0
7	DOE (Direct Aid)	Salary Increase: 2% Effective July 1, 2009	77.6
8	Colleges & universities	Tuition Moderation Incentive Fund	35.0
9	DHRM	State Employee Health Insurance	33.9
10	DMAS	Phase in 600 Additional Mental Retardation (MR) Waiver Slots	29.2
Subtotal, 10 largest			\$1,957.5
Total of all general fund increases, 2008 session			\$2,573.0
10 largest as a percentage of total			76%

SOURCE: Analysis of "Summary of 2008-2010 Budget Actions" (2008 Session) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

TABLE F-15

10 largest increases in 2006-2008 budget made by 2008 General Assembly – Final biennial budget amendments

Rank	Agency	Program	GF increase
1	CSA	Mandatory caseload and cost increases	\$54.3
2	Supreme Court	Increase Criminal Fund	15.0
3	Compensation Board	Constitutional officer retirement rate adjustment shortfall	12.3
4	Compensation Board	Increased per diem payments to local and regional jails	11.9
5	Central Appropriations	Reduce the impact of the savings requirement for information technology related operational efficiencies	4.9
6	Central Appropriations	Provide funding for unbudgeted increase in information technology rates	4.7
7	Central Appropriations	Provide funding to cover FY07 shortfall for interest earnings & credit card rebates at the institutions of higher education	4.0
8	DSS	Offset loss of federal funds for child welfare services	3.9
9	Central Appropriations	Fund the cost of the 2008 presidential primary	2.5
10	State Police	Increased gasoline costs for state police vehicles	2.4
Subtotal, 10 largest			\$115.8
Total of all general fund increases, 2008 session			\$124.1
10 largest as a percentage of total			93%

SOURCE: Analysis of "Summary of 2006-2008 Budget Actions" (2008 Session) prepared jointly by staff of the House Appropriations and Senate Finance Committees.

NOTE: Reflects only new funds added to the budget. It does not reflect funds reduced elsewhere that offset additions. These offsets vary from year to year.

Appendix G: State expenditures by governmental function including capital (\$M, not adjusted for inflation)

Fiscal year	Education	Administration of Justice	Individual and Family Services	Resource and Economic Dev	Transportation	General Government	Enterprises	Capital Projects	Total Expenditures
1981	\$1,916	\$339	\$1,853	\$145	\$924	\$290	\$285	\$158	\$5,909
1982	2,049	430	1,992	156	732	284	306	148	6,095
1983	2,170	481	2,044	165	830	230	432	178	6,530
1984	2,357	502	2,058	174	903	232	453	171	6,849
1985	2,633	549	2,191	200	1,064	269	485	146	7,536
1986	2,961	626	2,387	224	1,331	296	508	170	8,502
1987	3,256	692	2,573	267	1,494	349	576	198	9,405
1988	3,539	763	2,837	290	1,716	370	607	256	10,378
1989	3,878	857	3,095	348	1,825	390	726	271	11,389
1990	4,169	964	3,389	402	1,913	417	765	280	12,298
1991	4,333	1,020	3,989	405	1,907	397	885	190	13,126
1992	4,325	1,034	4,439	389	1,812	382	941	208	13,530
1993	4,599	1,070	4,860	381	1,670	398	957	167	14,102
1994	4,758	1,143	5,047	419	1,833	893	1,012	277	15,382
1995	5,067	1,250	5,316	501	2,265	1,037	1,034	355	16,825
1996	5,195	1,326	5,445	480	2,330	1,008	1,065	332	17,181
1997	5,568	1,387	5,562	482	2,449	1,088	1,085	460	18,081
1998	5,941	1,550	5,594	539	2,573	1,174	1,140	553	19,064
1999	6,622	1,745	5,888	624	2,867	1,514	1,198	444	20,902
2000	7,058	1,914	6,385	673	2,797	1,880	1,230	428	22,365
2001	7,570	2,091	6,897	790	3,158	2,198	1,286	451	24,441
2002	7,742	2,069	8,275	743	3,359	2,546	1,375	466	26,575
2003	7,875	2,021	8,608	659	3,209	2,625	1,397	532	26,926
2004	8,363	2,034	8,814	693	3,147	2,969	1,499	710	28,231
2005	9,327	2,170	9,288	734	3,366	3,003	1,689	890	30,467
2006	10,144	2,338	9,904	844	3,454	3,008	1,853	1,179	32,724
2007	11,318	2,401	10,175	818	3,424	3,564	1,839	1,294	34,833
2008	10,793	2,611	10,084	887	4,151	3,885	1,727	1,192	35,330
2009	12,428	2,618	11,960	983	4,099	4,031	2,008	1,898	40,025
2010	12,236	2,466	13,683	1,048	3,719	4,101	2,140	1,381	40,774
2011	12,572	2,536	13,901	1,057	4,259	4,693	2,207	1,245	42,470
2012	13,013	2,573	13,654	982	4,827	4,823	2,456	1,157	43,485
2013	13,257	2,642	14,044	977	5,025	5,137	2,482	1,034	44,598
2014	13,486	2,761	14,265	993	5,495	5,204	2,643	752	45,599
2015	14,004	2,777	14,597	1,064	5,751	5,289	2,651	933	47,066
2016	14,129	2,866	15,381	1,069	6,236	5,647	2,815	947	49,090
2017	14,691	2,951	16,107	1,136	6,133	5,538	2,891	856	50,303

SOURCE: Department of Accounts (Comprehensive Annual Financial Reports).

NOTE: Expenditures are on a budgetary or cash basis. Includes all operating and capital spending as well as expenditure of bond proceeds.

Appendix H: Final legislative operating appropriations by fund (\$M, not adjusted for inflation)

Fiscal year	Total	General Fund	Special Revenue	Higher Education Operating	Highway Maintenance and Construction	Enterprise	Trust and Agency	Debt Service	Dedicated Special Revenue	Federal Trust	Internal Service Funds	Total Non-General Funds
1981	\$5,713	\$2,687	\$189	\$549	\$982	\$206	\$133	\$22	\$15	\$930		\$3,026
1982	6,033	2,904	212	614	968	217	181	24	15	898		3,129
1983	6,477	3,111	249	748	949	248	219	22	24	908		3,366
1984	6,841	3,268	271	834	971	254	235	31	25	952		3,573
1985	7,682	3,753	251	911	1,092	214	339	37	29	1,057		3,929
1986	8,269	4,032	299	984	1,174	217	393	44	31	1,097		4,237
1987	9,351	4,599	333	1,144	1,384	219	405	100	31	1,135		4,751
1988	10,021	4,932	423	1,203	1,618	218	333	84	33	1,178		5,089
1989	11,383	5,619	575	1,386	1,673	227	487	77	44	1,296		5,765
1990	11,836	5,989	668	1,464	1,598	228	428	39	46	1,377		5,847
1991	12,620	6,315	676	1,631	1,553	294	401	80	58	1,612		6,305
1992	12,858	6,140	775	1,806	1,600	296	380	42	59	1,760		6,717
1993	13,927	6,402	842	2,087	1,728	300	467	34	64	2,004		7,526
1994	14,686	6,777	878	2,228	1,906	303	386	34	68	2,105		7,909
1995	15,854	7,356	937	2,395	1,948	359	419	104	76	2,260		8,498
1996	16,291	7,597	915	2,487	1,919	371	449	108	78	2,368		8,694
1997	17,131	8,134	918	2,570	1,953	365	447	87	134	2,522		8,997
1998	17,621	8,715	940	2,219	2,106	366	463	92	123	2,596		8,905
1999	19,962	9,967	938	2,471	2,706	391	486	104	142	2,757		9,995
2000	21,369	11,093	1,029	2,489	2,597	399	486	108	140	3,028		10,276
2001	23,323	12,284	1,156	2,616	2,785	429	614	119	245	3,074		11,039
2002	23,483	12,014	1,202	2,704	2,876	428	767	121	250	3,120		11,469
2003	24,983	12,105	1,324	3,240	2,680	566	898	167	285	3,718		12,878
2004	26,379	12,370	1,352	3,575	3,194	590	893	171	258	3,976		14,009
2005	29,258	13,782	1,430	4,014	3,213	650	1,085	164	585	4,333		15,476
2006	31,991	15,111	1,402	4,387	3,978	700	1,110	170	614	4,519		16,881
2007	35,095	17,033	1,603	4,853	3,929	850	1,083	234	638	4,872		18,062
2008	36,003	16,960	1,766	5,147	3,884	879	1,360	244	718	5,046		19,043
2009	37,057	16,192	1,834	5,518	3,751	941	1,966	261	861	5,732		20,865
2010	37,165	14,785	1,872	5,837	3,469	982	2,347	213	847	6,814		22,380
2011	38,983	15,457	1,743	6,658	3,528	1,146	2,327	256	811	7,056		23,525
2012	40,351	16,342	1,795	6,672	3,884	1,174	3,136	250	807	6,292		24,009
2013	42,675	17,116	1,795	7,280	3,988	1,319	2,752	293	1,426 ^a	6,707		25,559
2014	43,324	17,705	1,776	7,509	3,972	1,403	2,249	313	1,424	6,971		25,619
2015	46,979	18,240	1,745	7,920	4,367	1,291	2,378	326	1,860	7,081	\$1,772 ^b	28,740
2016	49,547	18,961	1,753	8,030	4,976	1,443	2,652	328	1,835	7,660	1,909	30,586
2017	52,187	20,114	1,767	8,541	5,586	1,566	2,392	329	1,885	7,929	2,077	32,073

SOURCES: Final Appropriation Act for each biennium (typically "Caboose" bills), Acts of Assembly, Department of Planning and Budget.

^a The \$619 million increase in dedicated special revenue after FY12 is primarily the result of new taxes within the Department of Accounts.

^b Historically, the funding to cover internal service fund goods and services has been included in customer agency budgets. ISF service agencies were instead appropriated an amount that was "sum sufficient" to pay their expenses. Beginning in FY15, ISF service agencies received a specific appropriation amount in the budget to provide greater transparency and accountability for these funds. This resulted in a one-time increase in the non-general fund budget. \$1.2 billion of this increase is related to the ISF for state health insurance benefits.

Appendix I: Final legislative operating appropriations by secretarial area (\$M, not adjusted for inflation)

Fiscal year	Administration and Finance	Administration	Agriculture and Forestry	Commerce and Resources	Economic Dev / Commerce & Trade	Education	Finance	Health & Human Resources	Natural Resources	Technology	Transportation and Public Safety	Public Safety	Transportation	Veteran Affairs and Homeland Security
1981	\$182			\$110		\$2,211		\$1,449				\$455	\$1,072	
1982	182			107		2,378		1,500				490	1,064	
1983	223			124		2,665		1,576				580	1,049	
1984	217			131		2,918		1,677				594	1,080	
1985		\$203		472		3,214	\$91	1,586			\$1,750			
1986		209		485		3,552	89	1,691			1,873			
1987		247			\$446	4,013	103	1,844	\$82		2,261			
1988		253			450	4,240	107	1,927	84		2,584			
1989		313			543	4,721	120	2,355	125		2,814			
1990		327			552	5,051	126	2,560	161		2,738			
1991		363			522	5,271	137	2,957	160			987	1,783	
1992		343			524	5,317	143	3,220	172			1,005	1,769	
1993		366			602	5,721	152	3,620	174			1,003	1,892	
1994		379			555	5,954	196	3,828	181			1,038	2,077	
1995		402			611	6,497	318	4,083	153			1,126	2,148	
1996		403			634	6,727	328	4,150	196			1,186	2,121	
1997		426			614	6,747	403	4,397	178			1,280	2,188	
1998		453			639	7,042	423	4,504	208			1,348	2,358	
1999		499			670	7,908	527	4,811	265	\$17		1,519	2,855	
2000		530			668	8,325	574	5,360	275	19		1,690	2,751	
2001		596			720	8,780	555	5,830	288	20		1,928	3,222	
2002		578			713	8,968	659	6,079	246	22		1,911	3,034	
2003		708			737	9,553	468	6,752	254	64		1,898	2,955	
2004		701			736	9,970	564	7,131	254	43		1,899	3,404	
2005		786	\$0.1		866	11,205	631	7,984	312	45		2,042	3,697	
2006		779	0.1		864	12,054	1,106	8,409	445	44		2,149	4,408	
2007		854	87		847	13,658	662	9,009	543	66		2,425	4,918	
2008		940	82		852	14,178	794	9,551	345	63		2,506	4,706	
2009		941	87		831	14,857	746	9,988	422	58		2,615	4,603	
2010		909	83		1,202	14,361	759	10,736	425	52		2,508	4,211	
2011		939	84		1,332	14,983	1,785	11,595	400	52		2,555	4,124	
2012		926	86		1,087	15,012	1,865	11,480	369	55		2,515	5,546	\$50
2013		1,008	97		1,012	16,109	2,522	12,199	481	60		2,556	5,276	55
2014		1,014	88		913	16,529	2,675	12,579	369	40		2,566	4,893	60
2015		2,501 ^a	96		893	17,216	2,816	12,857	397	391 ^b		2,735	5,762	63
2016		2,695	97		1,093	17,666	2,453	13,677	409	395		2,818	6,575	65
2017		2,902	105		917	18,426	3,120	14,448	442	416		2,911	6,988	80

SOURCES: Final Appropriation Act for each biennium (typically "Caboose" bills), Acts of Assembly, Department of Planning and Budget.

NOTES: This table reflects the varying organizational structure and agency assignments of the governor's secretaries over the period. Details will not sum to total appropriations because of omissions. For example, the Judicial and Legislative departments are independent of the executive branch and thus are not shown. The independent agencies, central appropriations, and the Executive Offices also are not under secretariats and thus are not shown. The Revenue Stabilization Fund and the Personal Property Tax Relief program have not been coded consistently over the period; currently they are under the Finance secretariat but previously were in central appropriations. The amounts shown average about 95 percent of the total appropriation each year.

^a \$1.2 billion of this increase is due to a change in the budgetary treatment of ISFs affecting state health benefit services.

^b \$346 million of this increase is due to a change in the budgetary treatment of ISFs affecting IT services provided by VITA.

Appendix J: Major uses of non-general funds, FY17

The eight categories of non-general funds are listed below, along with the five largest budget programs (by dollar amount) that receive appropriations from each fund.

Agency	Programmatic purpose	\$(M)
Dedicated Special Revenue Funds		
VDOT	Financial Assistance to Localities for Ground Transportation	\$496.1
DOA Transfer Payments	Financial Assistance to Localities – General	476.0
DMAS	Medicaid Program Services	399.8
DMV Transfer Payments	Financial Assistance to Localities – General	79.8
VDH	State Health Services	65.0
Total, top 5		\$1,516.7
Top 5 as percentage of this non-general fund category		80%
Debt Service Funds		
GMU	Higher Education Auxiliary Enterprises	\$54.1
VCU	Higher Education Auxiliary Enterprises	31.7
JMU	Higher Education Auxiliary Enterprises	28.7
UVA	Financial Assistance For Educational and General Services	22.8
ODU	Higher Education Auxiliary Enterprises	22.6
Total, top 5		\$160.0
Top 5 as percentage of this non-general fund category		49%
Trust & Agency Funds		
DOE (Direct Aid)	State Education Assistance Programs	\$808.3
VEC	Workforce Systems Services	602.7
VDOT	Highway Construction Programs	389.0
VDOT	Non-Toll Supported Transportation Debt Service	192.8
Central Appropriations	Distribution of Tobacco Settlement	119.3
Total, top 5		\$2,112.2
Top 5 as percentage of this non-general fund category		88%
Enterprise Funds		
ABC	Alcoholic Beverage Merchandising	\$661.7
Admin of Health Ins	Personnel Management Services (Administration of Health Insurance)	429.3
VA529	Investment, Trust, and Insurance Services	214.0
Lottery	State Lottery Operations	109.4
DBVI	Rehabilitative Industries	54.5
Total, top 5		\$1,468.9
Top 5 as percentage of this non-general fund category		94%

Agency	Programmatic purpose	\$ (M)
Higher Education Operating Funds		
UVA	State Health Services	\$1,674.2
VCCS	Higher Education Educational and General Services	568.4
VCCS	Higher Education Student Financial Assistance	522.5
UVA	Higher Education Educational and General Services	500.5
Va Tech	Higher Education Educational and General Services	485.5
Total, top 5		\$3,751.1
Top 5 as percentage of this non-general fund category		44%
Federal Trust Funds		
DMAS	Medicaid Program Services	\$4,574.0
DOE (Direct Aid)	Federal Education Assistance Programs	887.1
DSS	Financial Assistance for Local Social Services Staff	311.0
DSS	Financial Assistance for Self-Sufficiency Programs and Services	177.1
DMAS	Administrative and Support Services	154.1
Total, top 5		\$6,103.3
Top 5 as percentage of this non-general fund category		77%
Commonwealth Transportation (Highway Maintenance & Construction) Funds		
VDOT	Highway Construction Programs	\$1,993.4
VDOT	Highway System Maintenance and Operations	1,674.4
VDOT	Financial Assistance to Localities for Ground Transportation	452.9
DRPT	Financial Assistance for Public Transportation	434.4
VDOT	Administrative and Support Services	266.1
Total, top 5		\$4,821.2
Top 5 as percentage of this non-general fund category		86%
Special revenue		
DSS	Child Support Enforcement Services	\$694.9
DBHDS	State Health Services	145.8
VDH	Community Health Services	106.4
VPA	Administrative and Support Services	96.6
DBHDS	Facility Administrative and Support Services	77.9
Total, top 5		\$1,121.6
Top 5 as percentage of this non-general fund category		63%

SOURCE: 2017 Appropriation Act (Chapter 836) data from Department of Planning & Budget.

NOTE: Operating appropriations only. Totals may not add due to rounding.

Appendix K: Total, general fund, and non-general fund appropriations for the 10 agencies with the most growth in total appropriations, FY08–FY17 (\$M)

TABLE K-1

10 agencies with the most growth in total appropriations (Table 5, page 10 of the report)

Rank	Agency	<u>Total appropriation</u>		<u>Total growth</u>		
		FY08	FY17	\$	%	% of total
1	DMAS	\$5,662.7	\$9,923.4	\$4,260.7	75%	26%
2	VDOT	3,812.2	5,780.1	1,968.0	52	12
3	UVA ^a	2,020.5	2,973.3	952.8	47	6
4	VCCS	895.8	1,740.5	844.7	94	5
5	DOE (Direct Aid) ^b	6,693.5	7,373.9	680.4	10	4
6	Va Tech	917.4	1,321.1	403.7	44	2
7	GMU	621.3	986.5	365.2	59	2
8	Treasury Board	416.5	771.3	354.9	85	2
9	VCU	829.4	1,112.9	283.5	34	2
10	DSS	1,813.9	2,023.0	209.1	12	1
Top 10 agencies, subtotal		\$23,683.1	\$34,006.0	\$10,323.0	44%	64%
Other agencies, subtotal		12,320.6	18,180.9	5,860.2	48%	36
Total operating budget		\$36,003.7	\$52,186.9	\$16,183.2	45%	100%

TABLE K-2

General fund growth for the 10 agencies with the most growth in total appropriations

Rank	Agency	<u>Total appropriation</u>		<u>Total growth</u>		
		FY08	FY17	\$	%	% of total
1	DMAS	\$2,567.2	\$4,450.9	\$1,883.7	73%	60%
2	VDOT	149.8	40.0	−109.8	−73	−3
3	UVA ^a	161.9	150.5	−11.5	−7	<0
4	VCCS	414.5	436.6	22.0	5	1
5	DOE (Direct Aid) ^b	5,767.5	5,675.3	−92.2	−2	−3
6	Va Tech	199.0	190.2	−8.8	−4	<0
7	GMU	151.2	158.7	7.6	5	<1
8	Treasury Board	405.2	722.1	316.9	78	10
9	VCU	214.7	219.8	5.1	2	<1
10	DSS	403.3	415.8	12.5	3	<1
Top 10 agencies, subtotal		\$10,434.4	\$12,459.8	\$2,025.4	19%	64%
Other agencies, subtotal		6,526.0	7,653.9	1,128.0	17%	36
Total general fund budget		\$16,960.3	\$20,113.7	\$3,153.4	19%	100%

TABLE K-3

Non-general fund growth for the 10 agencies with the most growth in total appropriations

Rank	Agency	<u>Total appropriation</u>		<u>Total growth</u>		
		FY08	FY17	\$	%	% of total
1	DMAS	\$3,095.5	\$5,472.5	\$2,377.0	77%	18%
2	VDOT	3,662.4	5,740.1	2,077.8	57	16
3	UVA ^a	1,858.6	2,822.8	964.3	52	7
4	VCCS	481.3	1,303.9	822.7	171	6
5	DOE (Direct Aid) ^b	925.9	1,698.6	772.7	83	6
6	Va Tech	718.4	1,130.9	412.5	57	3
7	GMU	470.1	827.8	357.7	76	3
8	Treasury Board	11.3	49.2	38.0	337	<1
9	VCU	614.7	893.1	278.4	45	2
10	DSS	1,410.6	1,607.2	196.6	14	2
Top 10 agencies, subtotal		\$13,248.7	\$21,546.2	\$8,297.5	63%	64%
Other agencies, subtotal		5,794.7	10,526.9	4,732.3	82%	36
Total non-GF operating budget		\$19,043.4	\$32,073.2	\$13,029.8	68%	100%

SOURCE: 2008 and 2017 Appropriation Acts.

NOTE: Excludes capital appropriations and DOA transfer payments. Appropriations not adjusted for inflation. Numbers may not add due to rounding.

^a Excludes UVA-Wise, but includes the medical center.

^b In FY08, lottery proceeds supporting Direct Aid were classified as general funds. Starting in FY09, they are classified as non-general funds.